

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

In re: §  
§  
MARHABA PARTNERS LIMITED § Case No. 10-30227  
PARTNERSHIP §  
§  
Debtor. § (Chapter 11)

**OBJECTION TO MOTION FOR RELIEF FROM  
AUTOMATIC STAY FILED BY COMPASS BANK**

**To the Honorable Karen K. Brown,  
United States Bankruptcy Judge:**

Marhaba Partners Limited Partnership (“Marhaba” or the “Debtor”), files this objection to the motion for relief from the automatic stay (the “Motion”) filed by Compass Bank (“Compass”).

**Nature of the Debtor’s Objection**

1. Compass seeks a modification of the automatic stay to proceed with the liquidation of its collateral. The Debtor has substantial equity in the property serving as collateral for Compass. Therefore, relief from the stay is not appropriate.

**Relevant Background and Specific Responses**

2. The Debtor admits that on January 5, 2010, the Debtor filed a voluntary chapter 11 case as is asserted in paragraph 1 of the Motion.

3. On September 3, 2010, Compass filed its motion to modify the automatic stay.

4. The Debtor admits the assertions of paragraph 2 of the Motion.

5. The Debtor denies the assertions of paragraph 3 of the Motion. The appraisals recently obtained by the Debtor shows that the Property has a value of over \$ 39,000,000,

substantially greater than the amount owed to Compass. The total amount of liens on the property are substantially less than the value of the property.

6. The Debtor admits that the property in question is raw land, but denied any other assertion contained in paragraph 4 of the Motion.

7. The Debtor denies the assertions in paragraph 5 of the Motion.

8. The Debtor denies the assertions in paragraph 6 of the Motion.

9. The Debtor denies the assertions in paragraph 7 of the Motion.

10. The Debtor denies the assertions in paragraph 8 of the Motion.

11. The Debtor admits the assertions in paragraph 9 of the Motion.

12. The Debtor denies the assertions in paragraph 10 of the Motion.

13. The Debtor denies the assertions in paragraph 11 of the Motion except the Debtor admits that there is no current motion to refinance the debt owed to Compass

14. The Debtor admits the assertions in paragraph 12 of the Motion that an agreement was reached in concept.

15. The Debtor denies the assertions in paragraph 13 of the Motion. There is substantial equity in the property. The Motion of Compass should be denied.

Accordingly, the Debtor requests that this Court deny Compass's motion as set forth above and grant such other and further relief as is just.

**Dated: September 22, 2010.**

Respectfully submitted,

**Porter & Hedges, L.L.P.**

/s/ *Elizabeth C. Freeman*

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**COUNSEL FOR MARHABA PARTNERS  
LIMITED PARTNERSHIP**

**Certificate of Service**

I hereby certify that a true and correct copy of the foregoing pleading was served by ECF to Michael Durrschmidt, counsel for Compass Bank on the 22<sup>nd</sup> day of September, 2010.

/s/ *Elizabeth Freeman*  
*Elizabeth Freeman*

**Statement of Current Discussions**

My name is Elizabeth Freeman. I am an attorney with Porter & Hedges, L.L.P. I am over twenty-one (21) years of age, have never been convicted of a felony, and am fully competent to testify to, and have personal knowledge of, the matters stated herein.

As noted in Compass's motion, counsel for Compass and the Debtor have had multiple discussions on how to proceed in this case. At present, however, the parties are unable to reach a resolution. Inasmuch as no agreement exists, a determination by the Court is required.

/s/ *Elizabeth Freeman*  
Elizabeth Freeman

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**ORDER**

The Motion of Compass Bank for Relief from the Automatic Stay is **DENIED**.

SIGNED this \_\_\_\_\_ day of September, 2010.

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**THE HONORABLE KAREN K. BROWN,  
UNITED STATES BANKRUPTCY JUDGE**